

IN THE HIGH COURT OF GUJARAT AT AHMEDABAD

COMPANY PETITION No 172 of 1994

With

COMPANY PETITION NO. 173 OF 1994

For Approval and Signature:

Hon'ble MR.JUSTICE S.D.DAVE

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1. Whether Reporters of Local Papers may be allowed to see the judgements?

2. To be referred to the Reporter or not?

3. Whether Their Lordships wish to see the fair copy of the judgement?

4. Whether this case involves a substantial question of law as to the interpretation of the Constitution of India, 1950 of any Order made thereunder?

5. Whether it is to be circulated to the Civil Judge?
(No. 1 to 5 NO)

RAVI CONTRACTORS PVT. LTD.

Versus

RAVI FLY ASH PVT. LTD.

Appearance: In Company Petition No. 172 of 1994.

MR HM TALATI for Petitioner

MR JAYANT PATEL for Respondent No. 1

In Company Petition No. 173 of 1994.

MR HM Talati for Petitioner

MR HM MehtaLd.Sr. Central Govt.Standing Counsel
for Respondent No.1

CORAM : MR.JUSTICE S.D.DAVE
Date of decision: 02/04/97

COMMON ORAL JUDGEMENT

In the above two Company Petitions, a Scheme of Amalgamation has been put up for obtaining the sanction of this Court under the provisions of Sections 391 & 394 of the Companies Act, under which the entire undertaking of RAVI CONTRACTORS PRIVATE LIMITED (hereinafter referred to as the "Transferor Company") is proposed to be transferred and vested in RAVI FLY ASH PRODUCTS PRIVATE LIMITED (hereinafter referred to as the "Transferee Company"). The Scheme of Amalgamation is placed at Annexure-A in both the petitions.

It appears that the Transferor Company was incorporated on 29th September, 1989 as a Private Limited Company under the provisions of the Companies Act. The said Company is limited by shares and has its Registered Office at Ahmedabad. The Authorised Share Capital of the Transferor Company is Rs.5,00,000-00 divided into 50,000 equity shares of Rs.10-00 each. Subsequently, the Company has raised its Authorised share capital from Rs.5,00,000-00 to Rs.15,00,000-00 and also issued Bonus shares making total paid up Equity Capital of Rs.8,00,000-00. The main objects of the Transferor Company are, inter alia, to repair and renovate R.C.C. and Steel Structure, gunniting and grouting and Construction etc. The main objects are set out in Article III of the Memorandum of Association.

The Transferee Company was incorporated on 8th May, 1990 as a Private Limited Company under the provisions of the Companies Act, 1956 and is an existing Company having its Registered Office at Ahmedabad. The Authorised Share Capital of the Transferee Company was Rs.12,00,000-00 divided into 12,000 equity shares of Rs.100-00 each. The issued, subscribed and paid up capital of the Company is Rs.9,22,100-00 divided into 9,221 equity shares of Rs.100-00 each. Subsequently, the Company has raised paid up capital by issuing 2420 equity share of Rs.100-00 each making the total paid up capital of Rs.11,64,100-00 divided into 11,641 equity shares of Rs.100-00 each. The objects for which the Transferee Company was incorporated are set out in Article III (A) of the Memorandum of Association of the Company which, inter alia, include manufacturing of fly-bricks out of bricks, hollow blocks and paving blocks out of fly ash and cement.

As the respective meetings of the Transferor and Transferee Companies which were held on 8th June, 1994,

the Scheme of Amalgamation at Annexure-A was fully approved. The resolutions of both the Companies, approving the Scheme, have been placed on record.

The notice was given to the Central Government of these petitions under Section 394 A of the Act and the learned counsels who appear for the Central Government, state that the Central Government has considered the proposed Scheme and it has no objection if the Scheme is sanctioned by this Court. This is evident from the communication issued to learned counsel Mr. Patel by Registrar of Companies, Gujarat, which is being taken on record.

No one has objected to the proposed Scheme. It appears from the Report of the Official Liquidator which is made on 19th March, 1997 in accordance with the Second proviso to section 394(1), that the Chartered Accountants engaged for the purpose had carefully scrutinised the books of accounts and other records of the Company and on the basis of the material available, the Official Liquidator was of the view that the affairs of the Company were not conducted in a manner prejudicial to the interest of its members or public interest. Having regard to the objects of both the Companies, the nature of their business, the mutual commercial interests involved and to the fact that the Transferor Company and the Transferee Company are private Companies and therefore no questions of any public interest are involved, there appears to be no reason why the Scheme should not be sanctioned. In this view of the matter, the proposed Scheme of Amalgamation, copies of which are at Annexure-A to the petitions is hereby sanctioned and the Scheme will become effective with effect from 1st April, 1993, as proposed therein.

As a result of this order, the Transferor Company shall stand dissolved without winding up. The petitioners shall bear the costs of their respective petitions and shall pay the fees of the counsels for the Central Government in two sets, quantified at Rs.2,500-00 for each of the petitions.

Petitions stand disposed off.
